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USEU FOR DAN MULLANEY  
DEPARTMENT PASS TO USTR  
USDA/FAS FOR RCURTIS

E.O. 12958: N/A

TAGS: [EUN](#) [WTRO](#) [ECON](#) [ETRD](#) [EAGR](#) [IT](#)

SUBJECT: GOI WILL WORK TOWARDS DOHA SUCCESS SO LONG AS  
GEOGRAPHICAL INDICATIONS ARE INCLUDED

REF: A. STATE 15811

[B](#). 2006 ROME 2877

[C](#). 2005 ROME 4186

[D](#). 2005 ROME 3845

[1](#). (SBU) Summary. Econoff delivered ref A non-paper on the Doha Round negotiations and the President's January 31 speech on the state of the economy to the Ministry of Foreign Trade. Ministry officials agreed the time is ripe for progress in the Doha Round, and expressed hope progress before end-March will encourage Congress to speed Trade Promotion Authority (TPA) renewal and "set a new pace" for Doha Round negotiations. Ministry officials noted geographical indications (GIs) remain a priority issue for the GOI and that the GOI views progress on GIs as essential to offset concessions on agriculture market access and agricultural subsidies. End Summary.

[2](#). (SBU) On February 9, Econoff delivered ref A talking points on the Doha Round and a copy of President Bush's January 31 speech on the state of the economy to Amadeo Teti, Ministry of Foreign Trade Director General for Trade, and Stefano Santacroce, a technical expert in the Trade Directorate. Teti agreed the time is ripe for progress in the Round, and said the GOI would open its agricultural markets and work with other EU members to cut trade-distorting agricultural supports and lower agricultural tariffs, if there is progress in the services and non-agricultural market access (NAMA) negotiations. Teti predicted that EU Trade Commissioner Mandelson would receive increased flexibility in his negotiating mandate at an EU Trade Ministers dinner held in mid-February.

[3](#). (SBU) Teti said that "I have one prayer for this round, an agreement on geographical indications," and that an agreement on a registry of geographical indications is an essential "win" for the GOI to offset "losses" on lower agricultural subsidies and lower tariffs. "Our farmers can compete," said Teti, "but they need to have a registry of GIs to protect their products." He reported that Trade Minister Bonino was "very pessimistic" regarding an agreement on GIs after her recent meeting with USTR Schwab, and thought that the USG position is set by "USTR lawyers," whose "juridical culture is biased against the idea of a registry."

[4](#). (SBU) Econoff responded that U.S. trademark law already protects many products that would be included in the GOI's proposed GI registry. He said once a registry is opened, there is potentially no end to the products submitted for protection. Teti responded that the registry would not be "an open book," and that GIs would have to meet agreed-upon

criteria to be included. Santacroce proposed that the definition of GIs in the TRIPS agreement be used to set limits on what could be included in the GI registry. Teti also proposed an expensive fee for the inclusion of a product in the registry to deter frivolous filings. "Seeking inclusion in the registry is not something that a business will undertake lightly," he concluded.

15. (SBU) Comment. The GOI trade position remains essentially unchanged since the December 2005 Hong Kong Ministerial (refs C and D). As reported ref B, the current center-left government, in determining the GOI trade position, is less sympathetic to agricultural interests than the previous center-right government, and recognizes the dominant roles that manufacturing and services have in the modern Italian economy and in a GOI trade-negotiations position. Post clearly understands the USG position on GIs, but takes at face value, repeated GOI assertions that progress on a GI registry is Italy's highest priority in the agriculture negotiations. End comment.  
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